

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA

San Diego, California

***United States Attorney
Carol C. Lam***

For Further Information, Contact: Assistant U.S. Attorney Alana M. Wong (619) 557-5493

For Immediate Release

NEWS RELEASE SUMMARY - February 19, 2004

United States Attorney Carol C. Lam announced the guilty pleas in San Diego today of seven defendants, charged with conspiring to distribute over 1,000 kilograms of marijuana and distribution of marijuana in violation of federal law. The eighth co-defendant is scheduled to plead guilty on February 25, 2004. The seven defendants appeared today in the courtroom of United States District Court Judge Barry Ted Moskowitz, and entered guilty pleas to conspiring to distribute and distributing over 1,000 kilograms of marijuana in San Diego and Imperial Counties. According to the indictment, which was returned in May 2003, the seven defendants were all members or associates of the Frank Varela Marijuana Trafficking Organization ("Varela Organization"), responsible for the distribution of thousands of kilograms of marijuana within San Diego County and elsewhere. The leader, Frank Varela, faces a ten-year minimum mandatory prison sentence and will forfeit real property, luxury automobiles, and approximately \$22,600 in cash, all obtained through his marijuana trafficking activities. The six other defendants, who fulfilled various roles within the organization, including transporting, storing, and distributing marijuana, also face lengthy terms of incarceration.

According to Assistant United States Attorney Alana Wong, who prosecuted the case, the DEA began investigating the activities of the marijuana trafficking organization led by Frank Varela in June 2002. According to court documents, after nine months of court-authorized wire-taps, used in conjunction with other investigative techniques, the DEA learned that the Varela Organization had developed a unique smuggling route through which it imported and distributed large quantities of marijuana. The Varela Organization arranged for Mexican citizens to smuggle marijuana across the United States/Mexico border in back packs. At a remote location outside Jacumba, California, a member of the Varela Organization would pick up the marijuana and take it to a stash house near Ocotillo, California. There, other members of the Varela Organization would conceal the marijuana in hidden compartments situated in utility trailers and all-terrain vehicles (ATVs) would be placed on top of the utility trailers. Drivers for the Varela Organization would drive trucks towing the marijuana-laden trailers and ATVs west to San Diego disguised as people returning from recreation in the desert. In fact, the drivers would take the marijuana to one of two stash houses maintained by the Varela Organization in San Diego. At the stash houses, the marijuana would be repackaged and further distributed throughout the county and beyond. Over 2,000 kilograms of marijuana was seized during the course of the investigation.

The defendants are scheduled to appear before the Honorable Judith N. Keep, United States District Court Judge, for sentencing hearings at the United States Courthouse in San Diego, California, on May 17, 2004 (Frank Corona Varela, Juan Angel Morales and Marcos Corona Varela), June 1, 2004 (Evangeline Vasquez and Jesus Angulo-Ruiz), and June 7, 2004 (Estanisiado Serrano-Acosta and Ismael Franchini), all at 9 :00 a.m.

DEFENDANTS

Frank Corona Varela
Temecula, California

Juan Angel Morales
San Diego, California

Evangelina Vasquez
Imperial Beach, California

Jesus Angulo-Ruiz
San Diego, California

Estanisiado Serrano-Acosta
San Diego, California

Marcos Corona Varela
San Diego, California

Ismael Franchini
San Diego, California

SUMMARY OF CHARGES

Title 21, United States Code, §§ 841(a)(1) & 846 - Conspiracy to distribute over 1000 kilograms of marijuana; Title 21, United States Code, § 841(a)(1) - Possession with intent to distribute marijuana, and distribution of marijuana; Title 21, United States Code, § 853 - Criminal Forfeiture

Defendants Frank Varela and Juan Angel Morales face a maximum of life in prison and a minimum mandatory sentence of ten years in prison, a five-year term of supervised release, a maximum fine of up to \$4,000,000 and a penalty assessment of \$100. Defendants Evangelina Vasquez, Jesus Angulo-Ruiz, Estanisiado Serrano-Acosta, Marcos Varela and Ismael Franchini face a maximum of forty years in prison and a minimum mandatory sentence of five years in prison, at least four years and as much as five years of supervised release, a maximum fine of up to \$2,000,000 and a penalty assessment of \$100.

AGENCIES

Drug Enforcement Administration
San Diego Narcotics Task Force